

February 10, 1947.

Memorandum

- ✓ 1. Section 1(a). The use of the term "national intelligence mission" seems to me somewhat awkward. Possibly instead of "mission" the word "objectives" would be more appropriate.
- ✓ 2. Section 3(a). Consideration should be given to according to the Director of Intelligence the right to vote in the National Intelligence Authority, both for reasons of prestige and also to permit matters to be referred to the President under Subsection (9) in case by any chance there should be a difference of opinion between the Director and the other members of the Authority.
- ✓ 3. Section 3(a)(6). The reference to the conduct of foreign intelligence operations "centrally" does not have much meaning. I presume it means the operations which are to be carried on by the Central Intelligence Agency and I think this should be so stated.
- ✓ 4. Section 3(a)(4). In a moment of crisis it might be necessary to call a meeting of the Authority and it might be wise to provide the machinery to do this in the Act itself. I would favor giving the Director the right to call a meeting as well as any other members of the Authority.
- ✓ 5. Section 3(b)(2). It is vitally important that the Deputy Director be a man who has the complete confidence

of the Director. The relatively large salary would make this job an attractive political plum and there should be some safeguard against this. Possibly it could be provided that the Deputy Director should be appointed by the Central Intelligence Authority from among a list furnished by the Director.

✓ 6. Section 3(b)(4). I question whether the enumeration here is broad enough. You might wish to avail of the services of someone in the civil service or from some other department of the government other than the armed forces and the State Department. Possibly also there is a danger in the provision for payment. If this clause means that in certain cases the person has to be transferred to, or a part of his pay assumed by, the CIG, it might disclose information and connections which you did not wish to have known. Your salary list will probably become public property sooner or later.

✓ 7. Section 3(b)(5). The right to reemploy retired officers might well be extended to include any retired civil servant as well as those who retire from the armed forces. I doubt the wisdom of Section 3(c)(4) as this might some day be interpreted as preventing any action by the Agency unless there is unanimous approval by the Board.

✓ 8. Section 4(6). I suggest deleting "centrally" and inserting "by the Agency".

9. Section 4(8). This should be rephrased as it

imposes an impossible legal responsibility. It might read somewhat as follows: "be responsible for taking measures to protect", etc.

✓10. Section 4(9). Same comment as above with regard to the word "complete".

11. Section 4(8), (9) and (10). This might be a good place to insert a provision to provide an "Official Secrets Act" in the case of all employees of the Agency as well as all government employees of any department who make any unauthorized disclosure or who are responsible therefor in the case of any information or documents coming into their possession and originating with the Central Intelligence Agency.

✓12. Section 6(3). The provision that transfers of funds from other departments to the Agency is subject to authorization by the Bureau of the Budget may be essential from an accounting angle but introduces a serious security problem and it would be better if the power to authorize could be left to the Central Intelligence Authority. It is unwise that outsiders should know the amount of funds so transferred.

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Here are some separate subjects that possibly do not need to be mentioned in the legislation at this time but which may require study and eventually legislation:

1. Intelligence training schools;
2. Cryptography;
3. A broader "Official Secrets Act" than indicated above, etc., etc.

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(The above comments relate to the proposed bill for the establishment of a National Intelligence Authority and a Central Intelligence Agency transmitted with Col. L. A. Wright's letter of 27 December 1946 to Mr. Robert A. Lovett.)

GENERAL AUTHORITY

Section 4(a). In the performance of its functions, the Central Intelligence Agency may:

(1) Procure necessary services, supplies and equipment without regard to the provisions of Section 3709, Revised Statutes (41 U.S.C. 5), as amended, upon certification by the Director, or an official designated ~~for that purpose~~ by him, that such action is necessary in the interest of the common defense and security or upon a showing that advertising is not reasonably practicable, and partial and advance payments may be made under contracts for such purpose.

(2) Pay ^{quarters and cost of living} ~~living and quarters~~ allowances or in lieu thereof a salary differential to employees having permanent ~~station in a foreign country~~ ^{outside the continental limits of the United States}.

(3) Transfer to and receive from other departments or agencies of the Government such sums as may be authorized by the Bureau of the Budget, either as advance payment or reimbursement of appropriation for the performance of any of the functions or activities authorized in this Act, and any other department or agency of the Government is authorized to transfer to or receive from the Agency such sums without regard to any provisions of law concerning transfers between appropriations.

(4) Order to the continental United States on

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~~transferred to the Agency in accordance with this para-~~

the Agency upon completion of two (2) years ~~incident thereto~~ continuous service abroad, and pay travel expenses of employees and their dependents to their place of residence in the United States and return. Such leave will not exceed sixty (60) calendar days, and will be exclusive of time actually and necessarily spent in travel and awaiting transportation.

(5) Reimburse other Government departments and agencies for services of personnel assigned to the Agency, and other departments and agencies are hereby authorized so to assign or detail any officer or employee for duty with the Agency.

(6) Exchange funds without regard to Section 3651 Revised Statutes (31 U.S.C. 543).

(7) Authorize couriers designated by the Director to carry firearms when engaged in transportation of confidential documents and materials affecting the national defense and security.

TOP SECRET SECRET CONFIDENTIAL RESTRICTED UNCLASSIFIED
 (Sender will circle classification Top and Bottom)

CENTRAL INTELLIGENCE GROUP
INTER-OFFICE ROUTING SLIP
 (Revised 10 Sept 1946)

FROM	TO	INITIALS	DATE
DIRECTOR OF CENTRAL INTELLIGENCE			
✓ EXECUTIVE TO THE DIRECTOR			
SECRETARY TO THE DIRECTOR			
EXECUTIVE OFFICE: ASST. EXECUTIVE DIRECTOR			
ADVISORY COUNCIL			
EXECUTIVE FOR PERSONNEL & ADMINISTRATION <i>att: Mr. G. J. Keener</i>	✓		
CENTRAL RECORDS			
SECRETARY, NIA			
CHIEF, INTERDEPARTMENTAL STAFF			
ASST. DIRECTOR, SPECIAL OPERATIONS			
ASST. DIRECTOR, RESEARCH & EVALUATION			
ASST. DIRECTOR, COLLECTION & DISSEMINATION			
CHIEF, SECURITY BRANCH			

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 ACTION _____ RETURN _____ COMMENT _____
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 SIGNATURE _____ CONCURRENCE _____ DISPATCH _____

REMARKS:

*attached comments prepared by
 Allen Dulles on our recent draft
 of legislation. For consideration.
 W. J. P.*